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Chairman Wyden and Members of the Committee, thank you for inviting me to testify on Senate Bill 1784.

My name is Sid Leiken and I have the pleasure of serving as a County Commissioner for Lane County, Oregon. For the past two years, I served as Chairman of the Board, and for the ten years prior to that I was the Mayor of Springfield, Oregon. I know my communities, and they need your help, right now.

Lane County spans two mountain ranges and the Willamette Valley and is approximately 80% forest. It contains 765,000 acres of private forest land, 1.1 million acres of forest land under management by the National Forest and 315,000 acres of Oregon & California Railroad Lands under management by the Bureau of Land Management. It is these lands we refer to as the "O&C", and in total in western Oregon there are 2.2 million acres found in 18 counties.

The lands were returned to public ownership nearly 100 years ago. While they may be described as unique in their checkerboard pattern and management by BLM, I can assure you that the residents of Lane County fully understand the foundational role these lands played in ensuring key services such as public safety in our County. And in my world, budget document after budget document shows the significant portion of Lane County's budget supported by O&C revenue.

Quite simply, the combination of our climate, our elevation, and our soils produce some of the greatest quality timber species in the world. With all that timber, our value added wood products industry was simply un-paralleled. We used to produce more plywood than any other place in the world. However, the federal timber supply has all but disappeared, taking with it a ton of community fabric and leaving in its place a great deal of community uncertainty.

I am here today to ask you to help restore enough of that timber supply to re-establish certainty. With certainty comes predictability. And as a community leader, I can sell predictability all day long.

There's a lot to this bill, but as a representative of Lane County, I want to first eliminate a misconception about forestry policy automatically driving people to polar opposites. I'd like to congratulate Senator Wyden for his work and endless energy for striking a balance that provides a wealth of environment, community, AND economy. We have seen over-management, and under-management. Neither are acceptable, nor sustainable.

Here are the things that are especially important to folks in my county: Jobs, clean air and drinking water, and essential public services. This bill has implications for each of these values.

I was born and raised in Western Oregon where my family owned and operated timber and building development companies. I'm dating myself, but over the past 3 decades I have seen how important federal forests are to creating jobs in mills, in the forests and providing an economic foundation for the rest of the community. Unfortunately, much of that knowledge was gained by seeing the impact to our economy when the supply of federal timber was severely impacted by the listing of the Northern Spotted Owl as an threatened species beginning in 1989, perhaps not un-coincidentally a peak year of timber harvests and revenue sharing in Western Oregon. Until that time, life in rural Oregon truly embodied the American Dream, where families and communities enjoyed modest prosperity. Natural resource jobs paid 120% and up of the average salary in our county.

I think we all were optimistic that the NW Forest Plan of 1994, and then the initial implementation of the Secure Rural Schools Act in 2000 would buy us enough time to transition our economy to something that could replace the timber industry. That goal has proved elusive. NW Forest Plan harvest goals were not met, and the management plan formulated and practically finalized to move forward on the O&C was administratively withdrawn at the beginning of this Administration.

Interestingly, enough time has now passed that we are seeing the unintended consequences of not managing timberlands. That is, trees do grow. And natural processes like fire do occur in the absence of management. In Oregon, your national forests budget has been fully 1/3 committed to actual fire suppression costs since 1996.

Right now, in Western Oregon, which is typically known for its wet, wet, wet winters, we haven't seen appreciable rain or snow at all this winter. The fires of last summer on the O&C in my native Douglas County are on everyone's mind. While you are certainly aware of the \$4 billion dollars now in the federal budget for fighting forest fires, what you may not know is that the Bureau of Land Management contracts with the State for forest fires on the O&C, and our legislature is, as we speak, grappling with \$40 million in un-planned for expenses from the fires of the summer of 2013, the most expensive firefighting season ever.

I know that there's no chance we're going back to the days of vast, unsustainable clearcuts – that's just not a politically viable option, nor does it represent the most recent science embodied in Senator Wyden's plan.

But the current paralysis can't continue either, not without causing even more pain for folks who could be making a good wage working to cut trees, drive log trucks, mill lumber and restore forests.

The policy element that will provide for economic benefit is certainty. Certainty will drive private investment, and stabilize funding for public services. The O&C Act of 2013 attempts to deliver certainty for the federal agencies which manage these lands by limiting and constraining legal challenges that hamstringing agency staff, eat up agency budgets, and makes private investors leery.

While it is relatively easy to invest in a log truck and a tree feller, what we are no longer seeing is investment in mills. I believe when this bill is signed by the President, private money will again look at mill infrastructure. And note, a saw mill today is a high tech enterprise requiring clean technology and high paying jobs that will help cement the advanced manufacturing that our region is now finally getting established.

That advanced manufacturing, and indeed one of the world's oldest industries, beer manufacturing, depends on pristine water. A well-managed forest produces clean water, and we in the region are all smart enough to appreciate this. There is not a federal land manager anywhere that wakes up in the morning wanting to pollute our rivers, streams, and lakes. The limits imposed on access to legal challenges found in S 1784 will not lead to un-pure water. Indeed, this measure establishes four drinking water protection zones with enhanced policies to ensure this resource is protected; building on local drinking water protection overlay zones I helped pass in Springfield in 1999.

I want to close with a brief statement about fiscal policy. Almost exactly a century ago, County Commissioners from Western Oregon sat right here in Washington DC and expressed their concern about federal ownership of vast stretches of land exempt from local property tax rolls. A solution was established that federal revenue sharing would be placed into federal law. We coexisted under that model, and evolved fiscal policies around it. Voters in Oregon, as in other parts of the west, ultimately passed property tax caps, with the assumption that federal revenue would remain in place. In fact, our own Measure 5 was initially passed at the moment in time that represents the apex of federal revenue from the O&C. Voters saw no need for additional local revenue, but in hindsight were unaware that in some cases that local revenue was as much as 70% federal timber revenue. Under Measure 5, the only tool I have as a County Commissioner to replace federal timber revenue is the up to five year local option levy.

Voters in my county did approve, last year, a 55 cent per thousand valuation property tax that will remain in place for five years. That measure generates about \$13M annually, against what in 1995 was \$53M in federal timber

revenue. The reality is that I cannot gain the difference of \$40M from my local voter, especially when their economy suffered so much from the loss of timber related jobs, followed a decade later by the Great Recession.

In the ten years I have been in public office, today represents the single best opportunity for a solution. Since 1999, the inception of the Secure Rural Schools Act, we have not seen solution-oriented legislation actually gain passage in the House much less have another one poised for introduction in the Senate. I hope you can appreciate my interest in, and my advocacy for, your continued advancement of S 1784.

The need for a solution is immediate and I am only aware of one other proposed legislative solution to this problem, House Bill 1526. Yet, that proposal has already received a veto threat from President Obama here in Washington and is threatening to reignite the timber wars back home in Oregon. Furthermore, it appears unlikely that the Bureau of Land Management will be able to achieve an acceptable solution without additional tools and direction from Congress. For these reasons, I believe Senate Bill 1784 is the only politically viable solution for managing these lands currently on the table that could help avert the current crisis in Oregon.

You may well know, as I do, that this measure will not provide my county with \$40M in revenue. I can't advise that you attempt passage of a bill that creates that kind of revenue due to the amount of harvest it would require. What I do know, is that this measure will increase harvest on these lands. It will provide certainty to your land managers, and that certainty will drive investment by private industry. That investment will create jobs. Those employees will build homes in reinvigorated communities. They will pay income taxes and property taxes, and through the combination of federal revenue sharing, and giving taxpayers a job, it will be far easier to be a county commissioner in Western Oregon.